

Economic Empowerment for Native Communities: Harnessing Innovation and Self-Governance to Unlock Economic Potential (4/7/2022)

The federal government has a legal and moral obligation to ensure and protect the Tribal treaty rights, lands, assets, and resources of American Indian and Alaska Native tribes and villages. However, the federal government has too often failed to recognize Tribal sovereignty and meet its obligations to Native peoples. As a result, Native Americans are among the most economically marginalized populations in the country, experiencing disproportionately higher unemployment and poverty rates than the rest of the population. At the same time, as the nation's 13th largest employer, Native communities create national and regional economic opportunities. Respecting and expanding self-governance can not only help create innovative economic solutions for Native communities, but help the country meet its full economic potential.



On Thursday, April 7, 2022, the Select Committee, joined by Representative Sharice Davids, the Congressional Native American Caucus Co-Chair, held a roundtable to examine pathways for Native American communities to foster sustainable economic development and growth. Along with subject matter experts and Native American leaders, Select Committee Members explored historic barriers to economic development and growth and highlighted examples of successful strategies to cultivate sustainable economic development for Native American communities.

Possible Policy Solutions

During the roundtable, experts offered potential recommendations for the Select Committee to consider, including:

Respect and Expand Self-Governance on Tribal Lands

- Enable Tribal governments to directly receive federal funding, rather than through the state or other non-Tribal governmental entities.
- Address overlapping jurisdictional barriers to small business and economic development on Tribal lands. For example, Tribal governments alone should have authority to issue building permits to construct and start small businesses on Tribal lands.
- Create an Office of Tribal Affairs within the U.S. Department of the Treasury to address the broad intersection of Tribal needs across Treasury and Internal Revenue Service programs and operations to promote institutional expertise and guidance across Treasury policies and activities.
- Create a modern self-governance property system to enable trust-land leasing, allow for efficient transfer of title and record systems, attract outside investments with more affordable financing, and allow Tribal members to work more effectively under the HEARTH Act.

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- Restore Tribal sovereignty over public safety and justice, helping promote economic development by reducing risk and increasing social wellbeing.

Facilitate the Flow of Capital to Tribal Lands

- Create a Development Bank to provide direct investment, technical assistance, and serve as mediator between the federal government, private capital providers, and Indian Country.
- Authorize innovative loan products and delivery systems and expand access to public capital by providing Native Community Development Financial Institutions re-lending authority to deploy federal loans on trust lands.
- Enable Tribal governments to use tax-exempt debt for economic development projects, currently inhibited/prevented by the essential government function test.
- Increase funding for successful loan guarantee programs, such as the Bureau of Indian Affairs loan guarantee program that addresses barriers to collateralizing assets on trust lands.

Support Economic Diversification Efforts on Tribal Lands

- Create federally supported incentives for companies to build and operate in Indian country.
- Support entrepreneurship by resolving inequitable double taxation - business owners on Tribal lands paying state, local and Tribal taxes while those off Tribal lands only pay state and local taxes.
- Revise state taxation requirements on energy projects founded on Tribal lands and incentivize the development of renewable energy and technology on Reservation land.
- Support and expand technical assistance programs such as the U.S. Department of Commerce's Economic Development Administration.
- Support early childcare and childhood development through Head Start and the Child Tax Credit.

Collaborate with Tribal Governments on Better Research and Data Collection

- Research the long-term impacts of chronic disinvestment in Reservation communities to identify how Tribal governments can improve well-being and economic outcomes for their communities.
- Fund health research in Native communities around diabetes, rheumatoid arthritis, and lupus.
- Collect robust data on missing Indigenous people and violence against Indigenous people.

Expert Hearing Panelists

The following experts provided the possible policy recommendations listed above:



- **Timothy Williams**, Chairman, Fort Mojave Indian Tribe
- **Marie Summers**, Councilwoman, Oneida Business Committee
- **Karena Thundercloud**, Vice President, Ho-Chunk Nation
- **James Crawford**, Secretary of the Forest County Potawatomi Community
- **Dante Desiderio**, Chief Executive Officer, National Congress of American Indians
- **Patrice Kunesh**, Founder and Director, Peñín Haha Consulting